

STATE OF MAINE
PUBLIC UTILITIES COMMISSION

Docket No. 2003-423

June 18, 2003

MAINE PUBLIC UTILITIES COMMISSION
Inquiry Into Incentives to Promote Energy
Efficiency and Security of the Electric Grid

NOTICE OF INQUIRY
AND REQUEST FOR
COMMENTS

WELCH, Chairman; NUGENT and DIAMOND, Commissioners

I. SUMMARY

Through this Notice, the Commission initiates an Inquiry for the purpose of conducting a study on incentives for transmission and distribution utilities to promote energy efficiency and the security of the electric grid.

II. DISCUSSION

During its 2003 session, the Legislature directed the Commission to:

undertake an investigation to identify rate designs, mechanisms or other means that provide incentives for transmission and distribution utilities to promote energy efficiency and that promote the security and robustness of the electric grid by appropriately compensating transmission and distribution utilities for constructing and maintaining additional infrastructure that the commission determines necessary to ensure the security and robustness of the grid in underserved areas of the State.

P.L. 2003, ch. 219, § 2. The Legislature specified that, in addition to any other issue, the Commission shall consider:

1. Rate design mechanisms that encourage efficiency in electric use, provide incentives for the development of new energy-efficient business activity in the State and take into account the costs and benefits of energy efficiency and conservation to existing business activity in the State;
2. Financial and other incentives for transmission and distribution utilities or their customers that may support the goals of this section;

¹ Although this last consideration is extremely broad on its face, the Commission assumes that the Legislature intended the consideration to be “the impact of achieving the goals of this section on electricity generation and consumption and the resulting impact on air and water quality.”